

Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address

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☐ Individual appearing without attorney
☒ Attorney for: Edward M. Wolkowitz, Chapter 7 Trustee

CASE NO.: 2:15-bk-28508 BR
CHAPTER: 7

NOTICE OF AUCTION OF ESTATE PROPERTY

Debtor(s).

Sale Date: 08/12/2016

Time: 10:00 am

Location: 10250 Constellation Blvd., Suite 1700, Los Angeles, California 90067

Last date to file objections: N/A

Terms and conditions of sale:
See attached Notice of Trustee's Sale.

Proposed sale price: \$ 250,000.00

Overbid procedure (if any):

See attached Notice of Trustee's Sale.

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

At the conclusion of the auction, which is scheduled to take place on August 12, 2016 at 10:00 a.m., the Trustee will have a Winning Bid (as that term is defined in the attached Notice of Trustee's Sale). Thereafter, the Trustee will take the Winning Bid and present it, in the form of a motion to approve sale, to the Bankruptcy Court for Bankruptcy Court approval. For more specific details, please see the attached Notice of Trustee's Sale.

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

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Date: 07/19/2016

**NOTICE OF TRUSTEE'S SALE OF
THE BANKRUPTCY ESTATE'S RIGHT, TITLE AND INTEREST IN THAT
CERTAIN PATENT FOR A CRYOGENIC COGENERATION SYSTEM
U.S. PATENT NO. 7,647,774**

Edward M. Wolkowitz, the Chapter 7 Trustee for BLUE EARTH ENERGY SYSTEMS, INC., pending in the United States Bankruptcy Court, Central District of California, as Case No. 2:15-bk-28508-BR, will offer for sale the Bankruptcy Estate's right, title and interest in the above-described U.S. Patent No. 7,647,774. The Trustee's research indicates that the Patent is owned by the Bankruptcy Estate, subject to one outstanding lien claim. The sale will be free and clear of the lien claim. Interested parties are, however, advised to conduct their own due diligence.

The Trustee proposes to sell the Patent and all rights relating thereto pursuant to an Auction to be held on August 12, 2016 at 10:00 a.m. P.D.T., at the offices of the Trustee, located at 10250 Constellation, Suite 1700, Los Angeles, CA 90067. Interested parties may submit a written bid, on or before August 11, 2016 at 6:00 P.M. PDT, to the Trustee's attorney, as follow:

Anthony A. Friedman, Esq.
LEVENE, NEALE, BENDER, YOO & BRILL, L.L.P.
10250 Constellation, Suite 1700
Los Angeles, CA 90067

For the purposes of this Auction, qualified bids must be free of all contingencies and in an amount not less than Two Hundred Fifty Thousand Dollars (\$250,000), and be accompanied by a cashier's check or wire transferred deposit of not less than ten percent (10%) of the bid amount, and proof of good and available funds in the full amount of the bid. Any party may bid and overbid at the Auction, provided that each overbid must be in an amount not less than Ten Thousand Dollars (\$10,000) higher than the previous qualified bid, and be accompanied by a deposit and proof of funds as described above. Trustee will select the highest and best bid (the "Winning Bid"). The lien claimant may bid and overbid by credit bid and if it becomes the successful bidder, it shall be by crediting its Winning Bid against its secured claim. The Winning Bid amount, less any previously paid deposit shall be submitted in cash or wire transfer to the Trustee within three (3) business days after the auction, to be held by the Trustee pending Bankruptcy Court approval of the sale. If the party submitting the Winning Bid fails to timely submit the full amount of the Winning Bid, it shall cease to be the successful bidder, its deposit shall be forfeited, and the Trustee shall notify the second highest bidder that its bid is now the Winning Bid, in which case such bidder shall submit the full amount of its Winning Bid in cash or wire transfer to the Trustee within three (3) business days, to be held by the Trustee pending Bankruptcy Court approval of the sale. In the event of two or more qualified bids in the same amount, the Bankruptcy Court will be asked to determine the successful bidder in open court and such determination may be subject to further overbids.

Technical information concerning the Patent is contained below, which information is derived from the patent application. For additional information concerning the sale and bidding procedures, please contact the Trustee's attorney, Anthony A. Friedman, Esq., at 310-229-1234, or AAF@LNBYB.COM.

ABSTRACT

A system and method for controlling the operation of a cryogenic cogeneration system is described.

DESCRIPTION

CONTROL SYSTEM FOR CRYOGENIC COGENERATION

CROSS-REFERENCES TO RELATED APPLICATIONS

This application claims priority from U.S. Provisional Application No. 61/892.335, filed October 17, 2013 incorporated by reference in its entirety.

This invention relates to the field of cryogenic cogeneration control systems.

BACKGROUND

Hitherto, existing closed loop thermodynamic cycle systems, primarily refrigeration cycles/systems have required an awkward manual method for initial startup and charging that has required installing hoses and gauges and thermometers, time consuming manual interaction with charts/calculators to calculate superheat and sub-cooling values, and scales to weigh heavy refrigerant bottles. In addition, the process required many unproductive man hours while a technician stands by and observes, monitors and adjusts valves, expansion devices and values/fluid charge of the system(s), and the like.

Frequently manual temperature, mass flow, current draw measurements have to be taken through the system and calculations have to be performed to balance/optimize energy inputs and outputs. The situation may be even more complicated and time consuming on start-up and fluid charging of cryogenic refrigeration systems because fluid, piping, and heat exchangers have to initially experience a transient cooldown to the proper subzero temperatures before the aforementioned correct operational parameters can be applied.

Hence, the technician typically has to manually isolate the transient cool down system from the system.

Most thermodynamic cycle and refrigeration cycle systems can benefit from the ability to decrease and increase the system's charge and mass flow to adapt to the dynamic load and/or surrounding ambient environmental conditions. However, most charges/fluid mass flows for thermodynamic cycles and refrigeration cycles systems are fixed and cannot be adjusted without manual intervention. Recent studies have determined that over 30% to 80% of the air conditioning systems installed throughout the United States have an incorrect refrigerant charge the usually leads to damage to other expensive components of the system and excessive power consumption. This incorrect refrigerant charge can be mostly attributed to human error and improper training/negligence of technicians. The replacement of existing methods of initial startup and charging processes for thermodynamic cycles and refrigeration cycles systems with a computer automated method would significantly reduce human error.

CLAIMS:

I Claim:

1. A system for controlling a cryogenic cogeneration system, comprising a processor configured to execute a control program including software commands, the software commands chosen to perform selected actions, including receiving data related to various process parameters and components of a cryogenic cogeneration system, determining the values of selected process variables, comparing measured parameter values to setpoints and/or process variables, and providing control commands to various components of the cryogenic cogeneration system to optimize operation of the cryogenic cogeneration system.
2. A method for controlling a cryogenic cogeneration system, comprising: receiving data representing a state for one or more sensors or components of a cryogenic cogeneration system; processing the received data; providing control commands to selected components of the cryogenic cogeneration system to control the operation of the cryogenic cogeneration system.

HOW IT WORKS

- Integrates the Refrigeration Cycle (RC) and the Rankine Power Cycle (PC) to act as the Hot and Cold Regions for each other.
- Additional external heat energy is captured from the space to be cooled by the Refrigeration Cycle working exactly like a conventional cooling plant.
- Instead of venting this heat energy to the outdoors, the Refrigeration Cycle pumps this heat energy into the Rankine cycle to power a cold gas turbine.
- The turbine turns a generator which provides electrical energy the system needs to power its pumps with net power left over for load demands that are external to the system.

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is 10250 Constellation Boulevard, Suite 1700, Los Angeles, CA 90067

A true and correct copy of the foregoing document entitled **NOTICE OF AUCTION OF ESTATE PROPERTY** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **July 19, 2016**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- Bradley E Brook bbrook@bbrooklaw.com, paulo@bbrooklaw.com;brookecfmail@gmail.com
- Christopher L Frost cfrost@eisnerlaw.com, tperez@eisnerlaw.com;edempsey@eisnerlaw.com;bdahlberg@eisnerlaw.com
- Scott C Timpe stimpe@mbnlawyers.com, scott.timpe@gmail.com;aacosta@mbnlawyers.com
- United States Trustee (LA) ustpregion16.la.ecf@usdoj.gov
- Edward M Wolkowitz (TR) emwtrustee@lnrb.com, ewolkowitz@ecf.epiqsystems.com

2. SERVED BY UNITED STATES MAIL: On **July 19, 2016**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **July 19, 2016**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

July 19, 2016

Lisa Masse

/s/ Lisa Masse

Date

Type Name

Signature